Meeting Summary Report

The Catastrophe Insurance (C) Working Group met in a joint session with the NAIC/FEMA (C) Advisory Group Dec. 12, 2021. During this meeting, the Working Group and Advisory Group:

1. Adopted the Catastrophe Insurance (C) Working Group’s Summer National Meeting minutes.

2. Adopted the NAIC/FEMA Advisory Group’s Nov. 19 minutes, which included the following action:
   A. Heard an update from FEMA regarding Risk Rating 2.0. Phase I of Risk Rating 2.0 began on Oct. 1. Phase I included selling new flood insurance policies under the new rating system, as well as allowing current National Flood Insurance Program (NFIP) policyholders to take advantage of premium decreases.
   B. Heard about Risk Rating 2.0 training opportunities that are available from FEMA. This training includes the following topics: 1) what Risk Rating 2.0 is; 2) what led to the NFIP transformation; 3) what is changing and not changing in Risk Rating 2.0; and 4) the transition of current policies.
   C. Heard from FEMA regarding joint messaging opportunities.

3. Heard a Report from FEMA regarding Risk Rating 2.0 about implementation of the new rating system for the NFIP. Risk Rating 2.0 is meant to better align individual property rates with risk.

4. Heard a report from FEMA regarding the FEMA structure and FEMA regional flood insurance specialists. FEMA discussed the ways in which it can assist the various departments of insurance (DOIs), including: 1) outreach, education, and training; 2) technical assistance; 3) NFIP claims, underwriting, and coverage; 5) pre- and post-disaster support; and 6) public awareness events and activities.

5. Heard an update regarding the NAIC Catastrophe Resource Center. NAIC staff updated the Working Group and Advisory Group of the items added to the resource center, including FEMA regional information and FEMA contact information.

6. Heard a report from Louisiana regarding Hurricane Ida. Topics covered included: 1) the scope of the hurricane; 2) the path of the storm; 3) the parishes affected; 4) storm damage; and 5) the Louisiana DOI response to the hurricane.

7. Heard a report concerning the update of the Catastrophe Modeling Handbook. NAIC staff discussed a survey that was sent out to the state DOIs. There was a discussion held regarding the evaluation of models for various perils, as well as information regarding the usefulness of each section in the current handbook. The drafting group will meet in January to further discuss the survey and the drafting process.

8. Discussed future engagements with FEMA, including: 1) an NAIC/FEMA meeting for FEMA Region 6 tentatively planned for early 2022; 2) an earthquake event to be hosted by the Missouri DOI in May 2022; and 3) the Cascadia Rising 2022 National Level Exercise.